

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

In re:)	
)	
EAGLE PROPERTIES AND)	Bankruptcy Case
INVESTMENTS, LLC,)	No. 23-10566-KHK
)	Chapter 7
Debtor.)	
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**TRUSTEE'S SECOND APPLICATION FOR INTERIM
ALLOWANCE OF COMPENSATION**

H. Jason Gold, the Chapter 7 Trustee (“Trustee”), by counsel Nelson Mullins Riley & Scarborough LLP, hereby makes his second interim application (the “Application”), for allowance of compensation based on the statutory commission schedule set forth in 11 U.S.C. § 326, in the amount of \$110,644.58 for the period of July 7, 2024 through October 22, 2024 (the “Interim Period”), which includes compensation based upon \$3,620,349.95 in disbursements during the Interim Period and anticipated distributions of \$67,802.74 in connection with pending applications.

I. Case Status.

The assets of the estate at the beginning of the Interim Period included nineteen parcels of real property. The Trustee has continued to engage with the primary secured creditors in order to negotiate the use of cash collateral and agreed carve-outs from the sale of properties that would guarantee that the estate would benefit from sales even in circumstances where the liens exceeded the value of the properties. With the assistance of his professionals, the Trustee executed a comprehensive market strategy and process. During the Interim Period, the Trustee had sold and closed on several properties owned by the Debtor as follows:

<u>Property</u>	<u>Sale Price</u>
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4869-1034-9045 v.8

1635 Church Road, Hershey, PA	\$325,500.00
1343 Church Road, Hershey, PA	\$328,000.00
580 W. Areba Avenue, Hershey, PA	\$337,000.00
2565 and 2567 Chain Bridge Road, Vienna, VA	\$830,000.00
1001 Manning Drive, Fredericksburg, VA	\$265,000.00
1010 Lynn Street SW, Vienna, VA	\$772,500.00
249 Berkstone Drive, Harrisburg, VA	\$300,000.00
204 S. Fairville Avenue, Harrisburg, VA	\$285,000.00
6948 New Oxford Road, Harrisburg, PA	\$250,000.00
7213 Linglestown Road, Harrisburg, PA	\$15,000.00
7616 Grove Avenue, Harrisburg, PA	\$267,500.00

In addition, there is one sale awaiting Court approval (7180 Jonestown Road, Harrisburg, PA). Property located at 202 Port Street, Baltimore, MD, has been approved for transfer by deed in lieu of foreclosure. Two properties have not been sold. As such, the preparation and filing of a final report is pre-mature. As of October 23 2024, the Trustee was holding \$882,998.86 in cash.

The Trustee anticipates completing the marketing, sale and other disposition of the properties. Once this process is concluded or nearly concluded, the Trustee intends to shift his focus to other possible assets including litigation claims. As of this Application, no unpaid Chapter 7 Administrative claims are unpaid other than those set forth in this Application and those being filed contemporaneously herewith. At this time, the Trustee does not have an estimate as to when this case will close. It is not feasible to make an interim distribution to creditors at this time due to, among other things, pending Chapter 11 administrative expense claims, the constructive trust claim of Bala Jain LLC and the possibility that certain claims will be amended upon the sale of properties.

II. Background.

1. On April 6, 2023, Eagle Properties and Investments LLC (the “Debtor”) filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code

(the “Bankruptcy Code”).

2. On March 21, 2024, the Order of Conversion of Chapter 11 to Chapter 7 was filed (Docket No. 359). H. Jason Gold was appointed Chapter 7 Trustee.

3. On April 2, 2024 this Court entered an Order Authorizing Employment of Nelson Mullins Riley & Scarborough as Counsel to the Chapter 7 Trustee (Docket No. 373).

4. On June 17, 2024, this Court entered an Order Approving Sale of 1635 Church Road, Hershey, PA Free and Clear of Liens, Claims and Interests Pursuant to 11 U.S.C. § 363(f) (Doc. No. 501).

5. On June 27, 2024, this Court entered an Order Approving Sale of 1343 Church Road, Hershey, PA Free and Clear of Liens, Claims and Interests Pursuant to 11 U.S.C. § 363(f) (Doc. No. 517).

6. On July 10, 2024, this Court entered an Order Approving Sale of 580 W. Areba Avenue, Hershey, PA Free and Clear of Liens, Claims and Interests Pursuant to 11 U.S.C. § 363(f) (Doc. No. 537).

7. On July 15, 2024, this Court entered an Order Approving Sale of 2565 and 2567 Chain Bridge Road, Vienna, VA Free and Clear of Liens, Claims and Interests Pursuant to 11 U.S.C. § 363(f) (Doc. No. 540).

8. On August 2, 2024, this Court entered an Order Approving Sale of 1001 Manning Drive, Fredericksburg, VA, Free and Clear of Liens, Claims and Interests Pursuant to 11 U.S.C. § 363(f) (Doc. No. 577).

9. On August 12, 2024, this Court entered an Order Approving Sale of 1010 Lynn Street SW, Vienna, VA Free and Clear of Liens, Claims and Interests Pursuant to 11 U.S.C. § 363(f) (Doc. No. 598).

10. On August 23, 2024, this Court entered an Order Approving Sale of 249

Berkstone Drive, Harrisburg, PA Free and Clear of Lis Pendens Pursuant to 11 U.S.C. § 363(f) (Doc. No. 614).

11. On August 26, 2024, this Court entered an Order Approving Sale of 204 S. Fairville Avenue, Harrisburg, VA Free and Clear of Lis Pendens Pursuant to 11 U.S.C. § 363(f) (Doc. No. 617).

12. On August 29, 2024, this Court entered an Order Approving Sale of 6948 New Oxford Road, Harrisburg, PA Free and Clear of Lis Pendens Pursuant to 11 U.S.C. § 363(f) (Doc. No. 624).

13. On August 29, 2024, this Court entered an Order Approving Sale of 7213 Linglestown Road, Harrisburg, PA Free and Clear of Lis Pendens Pursuant to 11 U.S.C. § 363(f) (Doc. No. 625).

14. On June 27, 2024, this Court entered an Order Approving Sale of 7616 Grove Avenue, Harrisburg, PA Free and Clear of Lis Pendens Pursuant to 11 U.S.C. § 363(f) (Doc. No. 627).

15. On October 21, 2024, this Court entered an Order Approving Transfer by Deed in Lieu of Foreclosure of 202 Port Street, Baltimore, MD (Doc. No. 651).

16. By this Application, the Trustee requests entry of an order approving interim compensation, under 11 U.S.C. §§ 326, 330 and 331, in the amount of \$228,489.59.

III. Calculation of Compensation.

During the Interim Period, the Trustee disbursed an aggregate of \$3,620,349.95 in cash pursuant to the sale of the Properties and other disbursements. In addition, the Trustee anticipates disbursing an additional \$67,802.74 in approved fees for Nelson Mullins Riley & Scarborough LLP (“Nelson Mullins”) and Stephen Karbelk as the team leader of Auctionmarkets, LLC DBA RealMarkets (“Asset Manager”) shortly following consideration of

this Application. Under section 326(a) of the Bankruptcy Code, the Trustee's compensation is calculated as a commission.¹ In connection with a prior interim application, the Trustee was awarded interim compensation in the amount of \$117,845.01 based upon disbursements of \$3,153,166.81. The Commission has been calculated at the statutory rate based upon actual and anticipated disbursements of \$3,688,152.69 at a rate of three percent (3%) for a total of \$110,644.58.

The Trustee's disbursements at closing are identified in the Form 2 which has been provided to the Office of the United States Trustee.

WHEREFORE, the Trustee requests that this Court enter an Order: (i) allowing interim compensation in the total amount of \$110,644.58 from the estate as calculated above and (ii) awarding any further relief that the Court deems just and proper.

Respectfully submitted,

H. JASON GOLD, TRUSTEE

By Counsel

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By: /s/ Dylan G. Trache
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Counsel to the Chapter 7 Trustee

¹ Section 326(a) provides: "In a case under chapter 7 or 11, the court may allow reasonable compensation under section 330 of this title of the trustee for the trustee's services, payable after the trustee renders such services, not to exceed 25 percent on the first \$5,000 or less, 10 percent on any amount in excess of \$5,000 but not in excess of \$50,000, 5 percent on any amount in excess of \$50,000 but not in excess of \$1,000,000, and reasonable compensation not to exceed 3 percent of such moneys in excess of \$1,000,000, upon all moneys disbursed or turned over in the case by the trustee to parties in interest, excluding the debtor, but including holders of secured claims."² Pursuant to Local Rule 5005-1(C)(8), the attached service list is not being served on each of the parties, but is attached to the original Certificate of Service filed with the Court.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 11th day of November, 2024, a copy of the foregoing Application was served via first class mail, postage prepaid, to the parties in interest on the attached service list² and to:

Office of the United States Trustee
1725 Duke Street, Suite 650
Alexandria, Virginia 22314

/s/ Dylan G. Trache

Dylan G. Trache

² Pursuant to Local Rule 5005-1(C)(8), the attached service list is not being served on each of the parties, but is attached to the original Certificate of Service filed with the Court.